



4 April 2018

[Name]

[Address line 1]

[Address line 2]

[Address line 3]

Dear CDI Holder

**Delisting of EyePoint Pharmaceuticals, Inc. (formerly pSivida Corp.) from the Australian Securities Exchange ("ASX")**

This letter contains important information about your holding of CHESSE Depository Interests ("**CDIs**") in EyePoint Pharmaceuticals, Inc. (formerly pSivida Corp.) (ASX:PVA) (NASDAQ:EYPT) ("**the Company**"). You should read it carefully and seek professional advice if you have any queries.

**Application to delist**

As announced on 29 March 2018, following the receipt of in-principle advice from ASX, the Company submitted a formal application to ASX to seek its removal from the Official List of the ASX and suspension of trading in the Company's CDIs. As announced on 4 April 2018, ASX has formally approved the Company's application for delisting. Trading in the Company's CDIs will be suspended from close of trading on ASX on 30 April 2018 ("**Suspension Date**"). Removal of the Company from the Official List of ASX is expected to occur on 7 May 2018 ("**Delisting Date**").

As also announced on 29 March 2018, the Company has changed its name to EyePoint Pharmaceuticals, Inc. and, as part of the name change, the Company's ticker symbol on the Nasdaq Global Market ("**NASDAQ**") has been changed from "PSDV" to "EYPT" effective on and from 2 April 2018. Trading of shares of the Company's common stock ("**Common Stock**") on the NASDAQ will be unaffected by the name and ticker symbol changes and will continue during and after the ASX delisting process. The Company's ASX ticker symbol, PVA, will remain unchanged.

This letter contains important information relating to your holding of CDIs, the delisting process, the options available to you in connection with your holding of CDIs, and certain implications that may arise for CDI holders as a result of the delisting. In addition to the information set out below, enclosed with this letter is a Frequently Asked Questions document ("**FAQ**"), which is designed to assist you in understanding the process for the delisting of the Company from the Official List of the ASX and its impact on your holding of CDIs. If you have any questions about the delisting process that are not addressed by the accompanying FAQ, please contact the Company's Information Line on 1300 850

505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8:30 a.m. and 5:00 p.m. (AEST), Monday through Friday.

Please note that this letter does not constitute legal, financial, tax, or other professional advice. You should consult your financial, legal, tax or other professional advisor before making a decision on how to deal with your CDIs.

### **Reasons for delisting from the ASX**

The Company (previously known as pSivida Limited) was originally formed as an Australian company incorporated in Western Australia and was admitted to the Official List of ASX in 2001. In December 2005, pSivida Limited acquired Massachusetts-based Control Delivery Systems, which was the original developer of the Company's Durasert™ sustained release drug delivery technology platform. In June 2008, the Company reorganized as a Delaware corporation, at which time shares of the Company's Common Stock began trading on the NASDAQ and the Company's CDIs commenced trading on the ASX.

To date, the Company has developed three of only four products approved by the U.S. Food and Drug Administration ("FDA") for the long-term, sustained release delivery of drugs to treat chronic back-of-the-eye diseases. These three products, utilising various generations of the Company's Durasert technology platform, include ILUVIEN®, licensed to Alimera Sciences, and Retisert® and Vitrasert®, licensed to Bausch & Lomb. In early January 2018, the Company submitted a New Drug Application to the FDA for its Durasert three-year treatment for posterior segment uveitis. Two pivotal Phase 3 studies achieved, with statistical significance, their primary efficacy endpoint of prevention of recurrence of uveitis at six months of follow-up.

The Company appreciates the early support of investors through the ASX listing. However, since its initial listing, there has been a substantial shift in the trading activity of the Company's securities on the ASX.

Since 2008, there has been a significant decrease in the proportion of the Company's Common Stock held by CDI holders. As at 28 February 2018, CDIs on the ASX comprised 12.98% (5,873,896 CDIs) of the total number of shares of Common Stock then outstanding (45,256,999 shares). This compares to the position in November 2008, where CDI holders held 9,792,470 CDIs or 53.6% of the total number of shares of Common Stock then outstanding (18,262,345 shares).

Furthermore, as a result of low trading activity, the Company has poor liquidity on the ASX. Its 30-day average trading volume on the ASX as at 28 February 2018 was approximately 1,092 CDIs, representing an aggregate value of approximately AUD1,520 (USD1,200). By contrast, the Company's 30-day average trading volume on NASDAQ during the same period was approximately 347,000 shares of Common Stock, representing an aggregate value of approximately USD599,000.

The Company currently spends approximately AUD100,000 a year on maintaining its listing on the ASX as a result of both direct and indirect costs. The Company considers that the benefits associated with maintaining a listing on the ASX no longer justify the costs incurred by this listing, given that it is also incurring costs through its listing on the NASDAQ.

The Board of Directors of the Company ("**the Board**") believes that further fundraising will be more likely to be successful if the Company is not listed on the ASX.

As a result of the above reasons, after careful consideration, the Board has determined that there are minimal benefits to maintaining its listing on the ASX, and that it would be in the best interests of the Company and its shareholders to delist.

### **The process of delisting the Company from the ASX**

The following broadly sets out the process of delisting the Company from the ASX.

(a) **Suspension of trading on ASX**

As noted in the indicative timetable below, trading of all Company CDIs will be suspended on the ASX from the close of trading on 30 April 2018. This means that you can trade your CDIs on ASX up until the close of trading on 30 April 2018. You will not be able to trade your Company CDIs on the ASX after this time. Accordingly, if you wish to sell your Company CDIs on the ASX, you must do so on or prior to this time. Off-market transfers of CDIs will continue to be processed up until 20 July 2018.

(b) **Removal of the Company from the Official List**

It is expected that the Company will be removed from the Official List on 7 May 2018. It is also expected that, in accordance with the ASX Settlement Operating Rules, ASX Settlement will revoke its approval for the CDIs five business days after removal from the Official List, and that CHESS Depository Nominees Pty Ltd ("**the Depository Nominee**") will revoke the trust under which it holds the underlying Common Stock soon after that approval is revoked.

(c) **Conversion of CDIs to Common Stock**

As noted in the indicative timetable below, CDI holders have the right to convert their Company CDIs into the underlying Common Stock, which will be able to be traded on the NASDAQ. The deadline for making such an election is 5:00 p.m. (AEST) on 20 July 2018.

(d) **Voluntary Sale Facility**

CDI holders may utilise the Voluntary Sale Facility, which the Company has established to assist CDI holders to sell the underlying Common Stock on the NASDAQ. Proceeds of the sale will be converted to Australian dollars (less all costs and fees of sale and any applicable taxes) ("**Net Proceeds**") and remitted to the CDI holders. The Company's share registry, Computershare Investor Services Pty Limited ("**Computershare**"), will manage the Voluntary Sale Facility and Georgeson Securities Corporation ("**Georgeson**") will act as broker for sales of the underlying Common Stock sold through the Voluntary Sale Facility.

The Voluntary Sale Facility will open on 21 May 2018 and close at 5:00 p.m. (AEST) on 20 July 2018. CDI holders will be sent a Sale Instruction Form together with the notice of the revocation of the trust in respect of the underlying Common Stock, which is expected to be sent to CDI holders on or around 18 May 2018. CDI holders wishing to sell their underlying Common Stock through the Voluntary Sale Facility will need to complete and return this form to Computershare before the closing date.

(e) **Compulsory Sale Facility**

Pursuant to the ASX Settlement Operating Rules, the Depository Nominee has the power of sale over any remaining underlying Common Stock. CDI holders are required to be given 60 days' notice of the revocation of approval by ASX Settlement for the CDIs and the revocation

of the trust under which the Depository Nominee holds the underlying Common Stock (among other things), before the Compulsory Sale Facility may open. The Company will send CDI holders this notice (together with the Sale Instruction Form) on or around 18 May 2018.

Following the close of the Voluntary Sale Facility, the Company will establish the Compulsory Sale Facility, and the shares of Common Stock underlying any remaining holdings of CDIs will be sold under a compulsory sale process following the Voluntary Sale Facility. The facility will apply to all remaining CDI holders who have not sold or converted their CDIs to Common Stock. Computershare will instruct Georgeson to sell the Common Stock underlying the remaining CDIs, and the Net Proceeds will be converted to Australian dollars. Proceeds of the sale of these shares will be paid to CDI holders in the manner described below.

### Indicative dates for the delisting process

The following table sets out the indicative timeframe for delisting the Company from the ASX. We will notify you of any changes to these dates.

Date*	Event
30 April 2018 (from close of trading)	<b>Suspension Date</b> Trading of CDIs suspended on ASX <u>You will not be able to trade your CDIs on the ASX after the close of the ASX market on this date.</u>
7 May 2018	<b>Delisting Date</b> Removal of the Company from the Official List of the ASX.
21 May 2018	<b>Voluntary Sale Facility opens</b> CDI holders who wish to sell their underlying Common Stock through the Voluntary Sale Facility will need to complete the Sale Instruction Form and return it to Computershare. CDI holders will receive the Sale Instruction Form, together with a notice of the revocation of the trust in respect of the underlying Common Stock, on or around 18 May 2018.
20 July 2018	<b>Voluntary Sale Facility closes</b> Last date to lodge a Sale Instruction Form to participate in the Voluntary Sale Facility. Last date to lodge an off-market transfer for CDIs.
23 July 2018	<b>Compulsory Sale Facility opens</b> Process of automatic sale of underlying Common Stock of any remaining CDIs begins.
6 August 2018	<b>Compulsory Sale Facility closes</b> Date by which all underlying Common Stock represented by any remaining CDI holders will be sold under the Compulsory Sale Facility. The proceeds of sale will be converted to Australian dollars (less costs and any applicable taxes) and remitted to the CDI holders.

\* All dates and times in this letter are references to the date and time in Sydney, Australia, unless otherwise expressly stated, and are indicative only. The Company reserves the right to change or extend any of the dates and times in this letter and will promptly announce any such change on the ASX and its website <http://investors.psvida.com/index.cfm>.

## **Your options as a CDI holder on delisting of the Company from ASX**

Set out below are the options that you have as a CDI holder in relation to your holdings in conjunction with the delisting of the Company from the Official List of the ASX. Which option is best for you will depend on your individual circumstances and the prevailing market circumstances at the time of your election. You are encouraged to consult with your financial, legal, tax or other professional advisor prior to making a decision on how to deal with your CDIs.

### **(a) Option 1: Sell your CDIs on ASX prior to the Suspension Date**

Prior to the close of trading on the Suspension Date (30 April 2018), you can sell your Company CDIs on the ASX. Please contact your broker or financial advisor for advice on how to sell your CDIs on the ASX. You will be responsible for all brokerage and other transaction costs incurred for any sale of your CDIs.

Following the close of trading on the Suspension Date, you will **not** be able to sell your Company CDIs on the ASX.

### **(b) Option 2: Retain your holding in the Company by converting your CDIs to shares of Common Stock listed on the NASDAQ**

CDI holders have an existing right to convert their CDIs into Common Stock, with conversions occurring on a 1:1 basis. CDI holders will be able to convert their CDIs into NASDAQ-traded Common Stock at any time prior to **20 July 2018** (closing date of Voluntary Sale Facility). If you elect to convert your CDIs, set out below are the relevant steps, which differ depending on how you hold your CDIs. If you are unsure of how you hold your CDIs, please contact your broker or financial advisor.

#### **CHESS-sponsored CDI holders:**

- You will need to contact your controlling participant (usually your broker) in Australia ("**AU**") to convert your CDIs into Common Stock. Brokers may charge CDI holders a fee to effect a CDI conversion. Please consult your broker to confirm whether you will need to open a new US-based account to hold the Common Stock and trade it on the NASDAQ. See "**Trading shares on NASDAQ**" below for further information on holding NASDAQ-listed shares and consult your broker, financial, legal, tax or other professional advisor if you have any queries regarding this process.
- On 14 May 2018, the CHESS sub-register will be closed, at which time any remaining holdings of CDIs held on the CHESS sub-register will be transferred to the Issuer-sponsored sub-register. As such, following this time, all remaining CDI Holders who wish to convert their CDIs into Common Stock will need to do so in accordance with the process set out below in respect of issuer-sponsored CDI Holders.

#### **Issuer-sponsored CDI Holders:**

- You must complete a Register Removal Request Form (included with this letter) and send it back to the address set out on the form by 20 July 2018. Please note that you must submit certified copies of supporting documentation with your form in order for your conversion to Common Stock to be processed. Please refer to the instructions on the back of the form for more details.

- If you have any queries about how to complete the Register Removal Request Form, or to request a copy of the form, please contact the Company's Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) from 8:30 a.m. to 5:00 p.m. (AEST), Monday through Friday. Issuer-sponsored CDI holders who elect to convert their CDIs into Common Stock by submitting a Register Removal Request Form will receive their Common Stock in book-entry form in the Direct Registration System (“**DRS**”). For further information regarding DRS, please contact your broker or financial or legal advisor.

Following the conversion of your CDIs into Common Stock, you will be able to trade those common shares on the NASDAQ in accordance with the rules of that stock exchange. Please note that you will not be able to trade in shares of Common Stock until the conversion process has been completed. If you held your CDIs on the CHESSE-sponsored sub-register, the conversion process should occur within three business days of your broker submitting the conversion request. If you held your CDIs on the issuer-sponsored sub-register, the conversion process should occur within three business days from receipt by Computershare of your completed Register Removal Request Form and all of the required certified supporting documentation. See “**Trading shares on the NASDAQ**” below for additional important information.

(c) **Option 3: Participate in the Voluntary Sale Facility**

- (i) You can elect to sell the Common Stock underlying your CDIs through the Voluntary Sale Facility managed by Computershare and Georgeson.
- (ii) The Voluntary Sale Facility will be open for participation from **21 May 2018** until **20 July 2018**. The Voluntary Sale Facility will be available to all CDI holders who are registered on the Company's AU register at 7:00 p.m. (AEST) on 18 May 2018, subject to any valid off-market transfer form being subsequently received and processed. Please contact Computershare to obtain a copy of an off-market transfer form if you require one.
- (iii) If you remain a CDI holder as at the Delisting Date, you will receive a Sale Instruction Form, which must be completed and returned to Computershare if you wish to participate in the Voluntary Sale Facility. The Sale Instruction Forms are expected to be mailed out, together with the notice of the revocation of the trust in respect of the underlying Common Stock, on or around 18 May 2018. Participation in the Voluntary Sale Facility is entirely voluntary, and CDI holders are not obliged to dispose of the Common Stock underlying their CDIs through the Voluntary Sale Facility.
- (iv) Under the Voluntary Sale Facility, Computershare will process the Sale Instruction Forms and may aggregate the Common Shares that are the subject to these Sale Instruction Forms into batches for the purposes of sale. Computershare, Georgeson and the Company have sole and complete discretion as to when and in how many batches to aggregate the Common Stock that are the subject of these Sale Instruction Forms.
- (v) The Common Stock resulting from each aggregation will be sold on the NASDAQ by Georgeson (in one or more tranches). Proceeds of the sale (after deducting all transaction costs, including brokerage and withholding, if relevant) will then be converted from US dollars to Australian dollars (rounded down to the nearest cent)

and remitted to CDI holders after the closure of the Voluntary Sale Facility, which will close on 20 July 2018. No interest will be paid on any Net Proceeds.

- (vi) Payment of your portion of the Net Proceeds will be made to you in Australian dollars by direct credit into your bank account or by cheque if no bank account is recorded by Computershare. Please contact the Company's Information Line at Computershare as soon as possible if your bank account details are not up to date. This may be done by calling 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8:30 a.m. and 5:00 p.m. (AEST), Monday through Friday.
  - (vii) You will be responsible for any applicable tax, including personal income tax or capital gains tax, if you sell your Common Stock through the Voluntary Sale Facility.
  - (viii) The market price of the Common Stock that is sold through the Voluntary Sale Facility is subject to change from time to time. Neither the Company, the Depository Nominee, Georgeson nor Computershare gives any assurance as to the sale price that may be achieved for the sale of your shares of Common Stock or the exchange rate that will be used to convert the proceeds from the sale into Australian dollars. To obtain up-to-date information on the market price of Common Stock traded on the NASDAQ, you should visit the NASDAQ website at [www.nasdaq.com/](http://www.nasdaq.com/). The ticker symbol is EYPT.
- (d) **Option 4: Do nothing – Compulsory Sale Facility**
- (i) If you take no action in respect of your CDI holdings prior to **20 July 2018**, the Common Stock underlying your CDIs will be compulsorily sold by Georgeson. The Net Proceeds will be remitted to you in Australian dollars after being converted from US dollars. The Depository Nominee has the power to sell your Common Stock under the ASX Settlement Operating Rules.
  - (ii) Payment will be made to you in Australian dollars by direct credit into your bank account or by cheque if no bank account is recorded by Computershare. Please contact Computershare as soon as possible at 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8:30 a.m. and 5:00 p.m. (AEST), Monday through Friday, if your details are not up to date. If you cannot be contacted, the amount receivable in respect of your Common Stock will be placed in a trust account and dealt with by Computershare in accordance with the applicable law relating to unclaimed moneys.
  - (iii) Under the Compulsory Sale Facility, the Depository Nominee will instruct Georgeson to sell all remaining Common Stock registered in its name, rather than the sale being conducted on the basis of Sale Instruction Forms provided by CDI holders. In all other material respects, the procedures involved in the sales of Common Stock under the Compulsory Sales Facility will be the same as the procedures under the Voluntary Sale Facility, as outlined above.
  - (iv) You will be responsible for any tax, including personal income tax or capital gains tax, if your Common Stock is sold through the Voluntary Sale Facility or the Compulsory Sale Facility.
  - (v) The market price of the Common Stock that is sold through the Compulsory Sale Facility is subject to change from time to time. Neither the Company, the Depository

Nominee, Georgeson nor Computershare gives any assurance as to the sale price that may be achieved for the sale of your shares of Common Stock or the exchange rate that will be used to convert the proceeds from the sale into Australian dollars. To obtain up-to-date information on the market price of Common Stock traded on the NASDAQ, you should visit the NASDAQ website at [www.nasdaq.com/](http://www.nasdaq.com/). The ticker symbol is EYPT.

### **Trading shares on the NASDAQ**

If your CDIs are converted to Common Stock, you will be able to trade your shares of Common Stock on the NASDAQ either immediately following the conversion or at any point in the future. If the shares are to be held by your broker, you may be required to open a new US-based account.

You should be aware that you will not be able to trade in shares of Common Stock until the conversion process has been completed. If you held your CDIs on the CHESSE-sponsored sub-register, the conversion process should occur within three business days of your broker submitting the conversion request. If you held your CDIs on the issuer-sponsored sub-register, the conversion process should occur within three business days from receipt by Computershare of your completed Register Removal Request Form and all of the required certified supporting documentation.

Any costs associated with the process of holding or selling your shares of Common Stock on the NASDAQ will be borne by you. You should also be aware that there may be tax implications associated with either holding or selling shares of Common Stock on the NASDAQ and you may need to complete Internal Revenue Service Form W-8BEN, which can be obtained from the Internal Revenue Service website at <https://www.irs.gov/uac/form-w-8ben-certificate-of-foreign-status-of-beneficial-owner-for-united-states-tax-withholding>.

### **Tax implications**

The Company strongly encourages you to obtain your own independent financial, legal and tax advice based on your individual circumstances before deciding which option you should select, particularly in relation to the Australian and US tax implications.

This letter does not purport to provide you with any legal, financial or tax advice. As such, the Company strongly encourages you to seek independent legal, financial and tax advice before making a decision as to which option to select.

### **Risk information**

You should be aware that there are risks regarding the Company's share price at the time proceeds are realised and in connection with the Australian dollar/US dollar exchange rates at the time of conversion of the proceeds from US dollars to Australian dollars. The impact of these risks on the level of proceeds of sale for CDI holders may change over time. Those holders who sell their Common Stock through the Voluntary Sale Facility and those who do not and are subjected to a forced sale through the Compulsory Sale Facility may experience such changes.

In addition, the market price of Common Stock will fluctuate over the course of the delisting process based on, among other factors, general economic and market conditions and the Company's business, financial condition and results of operations. The Company's business, financial condition and results of operations are subject to various risks and uncertainties.

**Further information**

If you have any queries relating to the delisting of the Company from the ASX, please contact the Company's Information Line at Computershare on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) from 8:30 a.m. to 5:00 p.m. (AEST), Monday through Friday.

Yours sincerely,



Nancy Lurker  
President and Chief Executive Officer  
EyePoint Pharmaceuticals, Inc. (formerly pSivida Corp.)